

***- Westchester Ranks #1 Among U.S. Counties in Households Paying AMT -***

*Mount Kisco, NY* - With tax day fast approaching and tens of thousands of households in New York's 19th Congressional District about to be hit by the Alternative Minimum Tax (AMT), Congressman John Hall (NY-19) today repeated his call for a comprehensive AMT fix to protect working families from paying a tax intended for millionaires. Hall, speaking in front of the Mt. Kisco Town Hall, said Westchester County ranks number one in the country for the percentage of households paying the AMT, according to The Tax Foundation.

"The alternative minimum tax was created to prevent the wealthiest Americans from using loopholes to circumvent federal taxes," said Hall. "Tens of thousands of middle class families across the Hudson Valley are now being ensnared by a tax that was never intended for them."

Joining Hall at the news conference was Ann DiChiara, a Mount Kisco resident, who explained how she and her husband were hit with an AMT amount of over \$7000 this year. "The initial purpose of this tax no longer applies, and instead it has become a penalty on middle income earners," she said.

For the 2007 tax year, a married couple with two children and a joint income as low as \$66,114 could be forced to pay the AMT, according to the Congressional Research Service. When it was originally passed in 1969, the AMT was intended as a tax to ensure that people earning more than \$100,000 a year paid something in federal income taxes. That is the equivalent of an income of almost \$1 million a year today.

"The tax cuts passed by the Bush Administration and a Republican Congress in 2001 focused on giving tax breaks to the wealthiest one percent of Americans," said Hall. "But the people who really need the breaks are those in the middle class. That's where Congress should focus its tax reforms. AMT is a good place to start." Hall has made AMT reform a top priority since coming to Congress in January, calling on Ways and Means Committee Chairman Charles Rangel and Ranking Member Jim McCrery to use their positions on the House's chief tax writing committee to permanently fix the AMT. Last month Hall joined his Democratic colleagues in the House to pass a fiscally responsible budget resolution that includes immediate relief from the AMT to 19 million middle income taxpayers and allows for long-term AMT reform.

Westchester, Rockland and Putnam Counties all fall in the top 0.2% of counties in the nation most affected by the AMT while Orange and Dutchess Counties fall in the top 2%, in terms of the number of taxpayers affected. Taxpayers in the 19th CD paid an average of \$3,813 more on their 2004 taxes because of the AMT. For \$500 more than the average AMT tax, a Hudson Valley parent could pay the average cost of a year's tuition at a State University of New York college.

Without a fix, the AMT would affect 26.5 million taxpayers nationwide in 2008, up from 3.5 million in 2006. Areas with higher costs of living such as the Hudson Valley would be disproportionately affected.

The Democratic Leadership in the House of Representatives recently announced plans to draft

a permanent overhaul of the AMT by June. The change would effectively exclude anyone who earns less than \$200,000 a year from the AMT.

"I'm glad the Leadership agrees with me that reforming the AMT is an urgent need," said Hall. "I'm going to continue my fight in Congress to pass a comprehensive fix and I will work to ensure that the fund for AMT reform stays in the budget. A permanent change to this antiquated tax is long overdue."

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